Reducing Marketplace Information Asymmetry through E-Service Quality Concept Extraction

Dr. Lucian Visinescu
Texas State University

The issue of Information Asymmetry (IA) reduction in electronic marketplaces is examined. We start with a theoretical discussion of Information Asymmetry in general and provide a nomological net that describes important related concepts. We subsequently contextualize our general framework for the case of IA related to e-Service Quality in electronic marketplaces. A field study involving 19,381 buyer comments on 54 randomly selected companies that sells on eBay illustrates the large potential contribution to IA reduction possessed by unstructured text, a commonly underutilized source of information at an e-marketplace. We conclude by proposing that the class of Information Systems designed to facilitate IA reduction, dubbed here e-Service Quality Information Systems (e-SQIS), should have specific provisions to incorporate quantitative feedback extracted directly from unstructured comments.